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Subject: Program Guidance Letter 2000-1

Date:

From: Manager, Airports Financial Assistance  
Division, APP-500

Reply to  
Attn. of:

To: PGL Distribution List

00-1.1 Management of Airport Improvement Program (AIP) Grants. This Program Guidance Letter (PGL) establishes guidelines for duration of AIP grants and for timeliness of payment requests. It also identifies the responsibility of the headquarters and regional Airports organizations in this regard. The purpose of this PGL is to establish national guidance for ensuring expeditious AIP grant administration, specifically physical and financial completion of AIP projects. Implementing these guidelines will maximize the benefits derived by the national airport system of these limited and highly demanded AIP funds.

00-1.1.1 Guidelines for Duration of AIP Grants: This PGL establishes the maximum time for an AIP project--from date of grant acceptance to financial completion--as 4 years. In the case of a multi-year project, the maximum time for financial completion is 4 years from the date of the final multi-year amendment. (Note that Order 5100.38A, AIP Handbook, paragraph 921b(5), prescribes that before approving an AIP project, a review of the status of prior grant(s) at that location is to be conducted. It states that: "If there are any projects over three years old that are not closed out, give reasons for delays and schedules established for closing the projects out.")

00-1.1.1a Regional Airports organizations are required to take appropriate action toward project closeout within the 4-year timeframe in accordance with Order 5100.38A, AIP Handbook, Chapter 13, Project Payment, Closeout, and Auditing; to confirm that Accounting's entries into the Departmental Accounting Financial Information Systems (DAFIS) accurately reflect financial actions; conform to the goals for project closeouts in the annually updated Office of Airports Strategic Goals; and, to respond annually to headquarters' request concerning projects not meeting this criteria as well as taking appropriate action toward resolution. Resolution should include the following actions (as a minimum):

- Revalidate the need for the open grant and negotiate a schedule with the grantee for completion and closeout of grant, or
- Obtain the proper documentation from the grantee and take appropriate actions to closeout grant, or
- Unilaterally closeout a grant if grantee is non-responsive.

00-1.1.1b Headquarters Airports organization, by November 1 of each fiscal year, will develop a listing of AIP projects not meeting the 4-year guideline. Each region will have an opportunity to respond and/or take appropriate action. Unless otherwise agreed to in this coordination process, Regions will withhold programming any AIP projects for locations identified pending satisfactory resolution of inactivity.

00-1.1.2 Guidelines for Timeliness of Payment Requests. A financial draw-down should be made within an 18-month period after the date of grant agreement and subsequent draw-downs should be made within an 18-month period after the previous draw-down.

00-1.1.2a Regional Airports organizations should encourage timely submittal of payment requests and draw-downs from the letter of credit accounts in accordance with Order 5100.38A, AIP Handbook, Chapter 13, Project Payment, Closeout, and Auditing, and are required to confirm that Accounting's entries into DAFIS accurately reflect financial actions. In addition, regional Airports organizations will respond annually to headquarters' request for information concerning projects which have had no financial draw-downs within an 18-month period; and, will take appropriate action toward resolution. Resolution should include the following actions (as a minimum):

- Revalidate the need for the remaining obligations and arrange with the grantee an acceptable schedule for draw-down of the remaining obligation, or
- Immediately de-obligate any excess funding.

00-1.1.2b Headquarters Airports organization, by November 1 of each fiscal year, will request regional Airports organizations to report on projects which have had no financial draw-downs within an 18-month period and the action being taken toward resolution. Unless otherwise agreed to in this coordination process, regions will withhold programming any AIP projects for locations identified pending satisfactory resolution of inactivity.

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